

March 10, 2010

ITEM NO. A2

REQUEST AUTHORIZATION TO 1.) ENTER INTO A HOUSING ASSISTANCE PAYMENT CONTRACT TO PROVIDE 20 PROJECT-BASED VOUCHERS TO WILSON YARD SENIOR APARTMENTS, A LOW-INCOME SENIOR HOUSING DEVELOPMENT AND 2.) EXECUTE ALL OTHER DOCUMENTS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE FOREGOING

To the Honorable Board of Commissioners:

RECOMMENDATIONS

It is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to enter into a Housing Assistance Payment Contract ("HAP Contract") with Holsten Real Estate Development, or its nominee to provide Project-Based Housing Choice Voucher assistance for twenty (20) units at the Wilson Yard senior housing development for the maximum allowable term, subject to any required HUD approvals. It is further recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to take all actions and execute all documents necessary or appropriate to implement the foregoing.

FUNDING SOURCE

Housing Choice Voucher Program (Project-based Section 8)

EXPLANATION

Wilson Yard is located at 1036 West Montrose in the Uptown community. The building is a 7-story building containing 98 one-bedroom senior rental apartments. Building amenities include a community room, meeting room, laundry facilities, bicycle storage, an exterior landscaped roof deck on the 7th floor as well as access to the common exterior roof deck shared with the Wilson Yard family apartments and an attached parking deck containing 119 parking spaces which is also shared with the family building. The building will be LEED certified at the Silver level and contain such features as low-e glass, Energy Star appliances, high-efficiency building systems, a recycling room and LEED compliant paint and floor coverings throughout.

The Wilson Yard senior building is part of the Wilson Yard mixed-use development complex consisting of a two-story 200,000 square foot Target retail store with 140,000 square feet of below grade parking for 380 spaces; 24,000 square feet of small retail shops; and an 80-unit family residential building. The senior apartments are adjacent to the newly constructed Target store and within walking distance of the Wilson CTA Red Line, an Aldi grocery store and a newly renovated Jewel. The apartments are also served by the Montrose and Broadway bus routes and are less than one mile west of lakefront parks that are easily accessible by foot or public transportation. In order to help make this housing opportunity available to the widest

range of low income seniors, the developer is seeking Project-based Voucher assistance for 20 units. The Wilson Yard family building was awarded Project-based Voucher assistance for 16 units in 2008 and is now in the lease-up process.

Holsten Real Estate Development has been operating since 1975 and since its inception has developed more than \$500,000,000 in affordable, market rate, mixed-income and mixed-use housing and commercial development throughout Chicago. Holsten currently owns and manages 2,270 units in 14 developments and is committed to providing long-term, high quality property management and asset preservation. Preventative maintenance schedules are formulated for each property and overseen by each management supervisor, all in an effort to keep small costs from becoming large ones. Replacement reserves are also established and monitored for each development.

Wilson Yard Senior Apartments is existing housing that is now more than 90% complete and it is expected that lease-up will begin in April 2010. The project was competitively selected to receive funding from the City of Chicago and received final approval from City Council on October 8, 2008.

The only cost to CHA toward this development will be the project-based rental subsidy. Project-based Voucher statutes and regulations will be followed in leasing the 20 Project-based Voucher assisted units. Families on CHA's waiting lists will be given priority status.

Based on the foregoing, it is recommended that the Board of Commissioners approve the attached Resolution authorizing the Chief Executive Officer or his designee to enter into a HAP Contract with Holsten Real Estate Development or its nominee to provide Project-Based Housing Choice Voucher assistance for twenty (20) units in the Wilson Yard senior housing development for the maximum allowable term, subject to any HUD approvals, and execute all documents necessary or appropriate to implement the foregoing.

RESOLUTION NO. 2010-CHA-21

WHEREAS: the Board of Commissioners has reviewed the Board letter dated March 10, 2010, requesting authorization to enter into a Housing Assistance Payment Contract to provide 20 Project-Based Vouchers to Wilson Yard Senior Apartments and authorization to execute all other documents as may be necessary or appropriate to implement the foregoing.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer, or his designee to enter into a Housing Assistance Payment Contract to provide 20 Project-Based Vouchers to Wilson Yard Senior Apartments, a low-income senior housing development and to execute all other documents as may be necessary or appropriate to implement the foregoing.

